

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 1916 – SB 1493**

March 26, 2012

**SUMMARY OF AMENDMENT (014563):** Deletes all language after the enacting clause. Authorizes an individual who has a prior felony conviction relating to the sale of alcoholic beverages or beer to apply or reapply for a server permit from the Alcoholic Beverage Commission (ABC). Requires the application date be at least one year from the date of a first conviction or 4 years from the date of a second or subsequent conviction.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Revenue – \$12,600/ABC Fund  
Decrease State Expenditures – \$19,900/ABC Fund

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Revenue - \$100/ABC Fund**

Assumptions applied to amendment:

- Pursuant to Tenn. Code Ann. § 57-3-704, no individual may apply for a server permit if such individual has been convicted of any felony offense within the past four years.
- It is assumed that allowing individuals convicted of certain felony offenses to apply for a server permit after one year upon conviction will result in a subsequent increase in the number of server permits issued by the ABC.
- According to ABC, between Monday Oct. 3, 2011 and March 23, 2012 (6 months), there have only been 19 server permit applications rejected due statutory preclusions which disqualified the individuals. Of the 19 individuals rejected, only 2 were rejected due to convictions relating to the sale of alcoholic beverages.
- Due to the provisions of the bill as amended, it is assumed that 4 more server applications will be accepted per year.
- Server permit fees are \$20 resulting in a recurring increase in state revenue of \$80 (4 permits x \$20). This money will be deposited into the ABC Fund.
- ABC will not incur a significant increase in expenditures to process the accepted server permits. Any cost can be accommodated within existing resources.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jdb